



Providing Benefits for Life

July 30, 2025

Dear PERS-Covered Employer Agency Head:

Mississippi House Bill 1 was signed into law during the 2025 legislative session and contained several provisions pertaining to the Public Employees' Retirement System of Mississippi (PERS). One of these provisions created a new PERS tier (commonly referred to as Tier 5), which established a new benefit structure that applies only to PERS-covered employees hired March 1, 2026, and later. **This bill made no changes to the benefits of current members or retirees of PERS** but was created to help support the system's long-term sustainability in paying promised benefits.

The new tier is a hybrid retirement plan containing both a defined benefit (DB) component and a defined contribution (DC) component. Empower Retirement has been selected as the initial third-party administrator (TPA) for the DC component of the new plan. Many PERS-covered employers may be familiar with Empower as the TPA for Mississippi Deferred Compensation.

While further guidance, training, and detailed instructions will be forthcoming, I am informing you now of this change and its potential effect on your future workforce, systems, and processes, as **employers will need to submit required contributions and participant information directly to both PERS and Empower for these new employees**. Your organization's role will be critical in the successful and timely implementation of this plan by **March 1, 2026**, the date specified in statute. Therefore, I recommend you share this letter with your human resources, payroll, finance, information technology, or other key departments. For additional information, please visit www.pers.ms.gov/Tier5 or contact employer_reporting@pers.ms.gov.

Thank you in advance for your cooperation and attention to this matter. Together, we can ensure successful implementation of this important endeavor.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Ray Higgins, Jr.", written over a horizontal line.

H. Ray Higgins, Jr.
Executive Director

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Executive Director

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